

**CITY OF READING,
BERKS COUNTY, PENNSYLVANIA**

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Ordinance passed by the Council of the City of Reading, on the 24th day of August, A. D. 2009. Witness my hand and seal of said City this 24th day of August, A. D. 2009.

CITY CLERK

**ORDINANCE NO. 50-2009
ENACTED 8/24, 2009**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA, AMENDING AN ORDINANCE OF THE CITY PREVIOUSLY ENACTED ON DECEMBER 12, 2005, THAT AUTHORIZED THE INCURRENCE OF NONELECTORAL DEBT THROUGH THE ISSUANCE OF A SERIES OF GENERAL OBLIGATION BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF TWENTY-FIVE MILLION DOLLARS (\$25,000,000), PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S., CHAPTERS 80-82, AS AMENDED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"), TO PROVIDE FUNDS FOR CERTAIN PROJECTS OF THE CITY RECITED THEREIN; PROVIDING THAT SAID ORDINANCE BE AMENDED TO PERMIT THE CITY TO ISSUE THE BONDS AS FIXED RATE BONDS AND AUTHORIZING AND APPROVING THE TERMS AND CONDITIONS OF SUCH FIXED RATE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED PURCHASE PROPOSAL FOR THE PURCHASE OF THE BONDS; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THIS CITY TO ENTER INTO AN INVESTMENT AGREEMENT OR AGREEMENTS WITH RESPECT TO THE PROCEEDS OF THE GENERAL OBLIGATION BONDS; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THIS CITY TO DO, TAKE AND PERFORM CERTAIN NECESSARY AND/OR APPROPRIATE ACTS AND THINGS RELATING TO SUCH AMENDED ORDINANCE; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

WHEREAS, the Council of this City, by Ordinance dated December 12, 2005 (the "Bond Enabling Ordinance"), authorized and directed issuance of its General Obligation Bonds, Series of 2009 (the "Bonds") in an aggregate principal amount of Twenty-five Million Dollars (\$25,000,000), to provide funds for and towards certain projects of the City, pursuant to the provisions of the Local Government Unit Debt Act of the Commonwealth, as reenacted and amended (the "Act"); and

WHEREAS, the Bond Enabling Ordinance originally contemplated that the Bonds would be issued in a Weekly Mode and provided for conversion of such Bonds to a Term Mode; and

WHEREAS, the City desires to amend the Bond Enabling Ordinance to permit the Bonds to be issued in a Fixed Mode; and

WHEREAS, the City desires to approve the terms and conditions of the Bonds in the Fixed Mode; and

WHEREAS, pursuant to the Bond Enabling Ordinance, the City accepted a proposal from Wachovia Bank, National Association (the "Purchaser") for the purchase of the Bonds at private sale by negotiation (the "Original Proposal"); and

WHEREAS, the City desires to authorize the execution and delivery of an amended and restated purchase proposal from the Purchaser, acting on its own behalf and on behalf of PNC Capital Markets LLC (the "Amended Purchase Proposal") which will amend the Original Proposal to add provisions applicable to the Bonds when issued in the Fixed Mode; and

WHEREAS, certain expenditures for the Project may be made by the City prior to the issuance of the Bonds and the City desires to pay for certain of the costs of the Project from general funds of the City, which do not constitute proceeds of tax-exempt bonds or notes; and

WHEREAS, the City, in compliance with Section 1.150-2 of the United States Treasury Regulations, reasonably expects to reimburse the expenditures made by it for said Project with proceeds of the Bonds.

The above recitals are deemed to be part of the Ordinance.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA HEREBY ORDAINS AS FOLLOWS:

Section 1. The City hereby amends Section 1.01 of the Bond Enabling Ordinance to make the following additions or amendments to the definitions contained in such Section 1.01:

"Fixed Mode" shall mean with respect to the Bonds the mode of accruing interest at the Fixed Rate.

"Fixed Rate" shall mean the rate or rates of interest borne by the Bonds for a Fixed Rate Period.

"Fixed Rate Period" shall mean the period of time during which the Bonds are in the Fixed Mode.

"Interest Mode" shall mean the Weekly Mode, the Term Mode or the Fixed Mode.

"Paying Agent" shall mean Manufacturers and Traders Trust Company, and any successor thereto, acting in the capacity of paying agent and sinking fund depositary with respect to the Bonds or, if the City at any time shall have appointed another bank, bank and trust company or national bank to serve as successor paying agent and sinking fund depositary with respect to the Bonds, the successor so appointed and any successor thereto.

"Rate Period" shall mean either the Weekly Rate Period, the Term Rate Period or the Fixed Rate Period.

"Regular Record Date" shall mean, while the Bonds are in the Weekly Mode, the last Business Day preceding a Scheduled Interest Payment Date and, while the Bonds are in a Term Mode or Fixed Mode, the fifteenth (15th) day of the month next preceding a Scheduled Interest Payment Date.

"Scheduled Interest Payment Date" shall mean (i) with respect to Bonds in the Weekly Mode, the first Business Day of each calendar month, and (ii) with respect to Bonds in the Term Mode or the Fixed Mode, each Semiannual Date.

"Tender Agent" shall mean, initially, Manufacturers and Traders Trust Company, in its capacity as tender agent for the Bonds in accordance with the terms of this Ordinance or, if the City at any time shall have appointed another Person with the qualifications required by this Ordinance to serve as successor tender agent for the Bonds, the successor so appointed and its successors.

Section 2. The City hereby amends Section 3.01(a) of the Bond Enabling Ordinance in its entirety to read as follows:

"While the Bonds are in the Weekly Mode, the form of the Bonds shall be as set forth on Exhibit A attached to the Bond Enabling Ordinance and by this reference made a part of the Bond Enabling Ordinance, with appropriate insertions, omissions and variations; while the Bonds are in the Term Mode, the form of the Bonds shall be substantially as set forth on such Exhibit A but with such insertions, omissions and variations as shall be necessary to reflect the terms and provisions of the Bonds while in the Term Mode, including the redemption provisions applicable to Bonds in the Term Mode, as set forth in the Bond Enabling Ordinance; and while the Bonds are in the Fixed Mode, the form of the Bonds shall be substantially as set forth on Exhibit A attached to this Ordinance, with appropriate insertions, omissions and variations. Bonds in the Weekly Mode shall be issued in principal denominations of \$100,000 and \$5,000 multiples in excess thereof. Bonds in the Term Mode and the Fixed Mode shall be issued in the denominations of \$5,000 or any integral multiple thereof. All Bonds shall be in fully registered form, without coupons, and shall be dated as of the Series Issue Date."

Section 3. The City hereby amends Section 3.01(b)(i) of the Bond Enabling Ordinance in its entirety to read as follows:

"The Bonds may be issued in one or more series from time to time. The Bonds of a series may bear interest at either the Weekly Rate, the Term Rate or the Fixed Rate from the Series Issue Date, as determined by the Managing Director of the City. The Bonds may be converted from a Weekly Rate to a Term Rate or a Fixed Rate as provided in Section 3.03.

Interest on the Bonds for any particular Weekly Rate Period shall be calculated on the basis of a year of 365 or 366-days as appropriate for the actual number of days elapsed. Interest accruing on the Bonds at a Term Rate or at a Fixed Rate shall be computed on the basis of a year of 360-days based upon twelve 30-day months. The Bonds may be issued as tax-exempt bonds or federally-taxable bonds."

Section 4. The City hereby amends Section 3.01(b)(ii) of the Bond Enabling Ordinance by adding the following sentence at the end of such Section 3.01(b)(ii):

"Bonds authenticated and delivered while bearing interest at a Fixed Rate shall set forth on the face thereof, in the place provided for designating the interest rate, the actual interest rate for the applicable Bond with appropriate insertion of the maturity date."

Section 5. The City hereby amends Section 3.01(d) of the Bond Enabling Ordinance in its entirety to read as follows:

"While the Bonds are in the Weekly Mode and the Term Mode, the Bonds shall mature on November 1, 2029. While the Bonds are in the Weekly Mode and the Term Mode, the Bonds shall be subject to redemption and tender for purchase prior to stated maturity as provided in Section 5. While the Bonds are in the Fixed Mode, the Bonds shall bear the rate of interest and shall mature on the dates and in the amounts as set forth in the Amended Purchase Proposal to be delivered by the Purchaser. While the Bonds are in the Fixed Mode, the Bonds shall be subject to redemption prior to stated maturity as provided in Section 5. While the Bonds are in the Fixed Mode, the Bonds are not subject to tender for purchase prior to stated maturity."

Section 6. The City hereby amends Section 3.10 of the Bond Enabling Ordinance in its entirety to read as follows:

"Section 3.10 Fixed Rate. While the Bonds are in the Fixed Mode, the Bonds shall be fully registered, without coupons, in denominations of \$5,000 or any integral multiple thereof, in substantially the form set forth on Exhibit A attached hereto. The Bonds shall be dated the dated date, and shall bear interest from that date at the applicable rates per annum and on the dates specified in the Amended Purchase Proposal to be delivered by the Purchaser."

Section 7. The City hereby amends Section 3.11 of the Bond Enabling Ordinance by adding the following sentence at the end of the first sentence of such Section 3.11:

"Notwithstanding anything contained herein to the contrary, the Bonds are not subject to conversion from one Interest Mode to another Interest Mode while the Bonds are in the Fixed Mode."

Section 8. The City hereby amends Section 4.03(b) of the Bond Enabling Ordinance by adding the following paragraph to such Section 4.03(b):

"While the Bonds are in the Fixed Mode, the City and the Paying Agent covenant that the Paying Agent, on or before September 15 of each year, so long as any Bonds shall remain outstanding, or as soon after such date as shall suit the convenience of the Paying Agent and shall allow sufficient time for mailing of the requisite notice of redemption, as provided for

herein, shall select or draw, by lot, in a fair and equitable manner (except in the year 2029, in which all outstanding Bonds will mature on the following November 1), for redemption on the following November 1, a principal amount of Bonds equal to the amount subject to Mandatory Sinking Fund Redemption pursuant to Section 5.01(f) hereof.”

Section 9. The City hereby amends Section 5.01 of the Bond Enabling Ordinance by adding the following subparagraph to such Section 5.01:

“(f) While the Bonds are in the Fixed Mode, the Bonds shall be subject to optional and mandatory sinking fund redemption as set forth in the definitive Bonds as delivered to the Purchaser in accordance with the provisions hereof.

Section 10. The City hereby amends the third sentence in Section 5.02 of the Bond Enabling Ordinance in its entirety as follows:

“Each such notice of redemption shall (i) be deposited in the United States mail, postage prepaid, not more than forty-five (45) days (sixty (60) days if the Bonds are in the Term Mode or the Fixed Mode) and not less than fifteen (15) days (thirty (30) days if the Bonds are in the Term Mode or the Fixed Mode) prior to the date fixed for redemption, (ii) identify the particular Bonds (or, if applicable, the portions thereof) to be redeemed, including the name of the issue, the date of the issue and the stated maturity date or dates, CUSIP numbers and certificate numbers assigned to the Bonds to be redeemed, (iii) specify the date fixed for redemption and the Redemption Price, (iv) state that, on the date fixed for redemption, the Bonds called for redemption will be payable at the Designated Office of the Paying Agent upon presentation and surrender thereof; and (v) state that from that date interest on such Bonds (or portions thereof) so called for redemption will cease to accrue.”

Section 11. Upon final pricing of the Bonds of a series, the Purchaser will present to the City an Amended and Restated Purchase Proposal setting forth the final terms and conditions of the Bonds, including the final interest rates and redemption provisions for the Bonds of such series (the “Amended Purchase Proposal”). As long as the terms and conditions set forth in the Amended Purchase Proposal satisfy the parameters set forth in the Bonds Enabling Ordinance, as amended and supplemented by this Ordinance, the Mayor is hereby authorized and directed to accept and to execute the Amended Purchase Proposal in the name and on behalf of the City, and the City Clerk is hereby authorized and directed to attest to such acceptance and execution.

Section 12. The Preliminary Official Statement in the form previously delivered to the City (a copy of which shall be filed with the records of the City) is hereby approved with such subsequent, necessary and appropriate additions, changes, variations, omissions and insertions as may be approved by the proper official of the City with the advice of counsel. The use and distribution of the Preliminary Official Statement by the Purchaser is hereby ratified and approved and the distribution thereof on and after the date hereof, with such subsequent additions, changes, variations, omissions and insertions, as aforesaid, is hereby authorized in connection with the public offering by the Purchaser of the Bonds. An Official Statement in substantially the same form as the Preliminary Official Statement, with such changes, if any, as may be approved by the City’s official executing the same with the advice of

counsel, such approval to be conclusively evidenced by the execution thereof, is hereby authorized and directed to be prepared and upon its presentation, to be executed by the Mayor of the City following such investigation as such Mayor of the City deems necessary as to the contents thereof. The City hereby further approves the distribution and use of the Official Statement as so prepared and executed in connection with the sale of the Bonds.

Section 13. The City reasonably expects to reimburse original expenditures for the Project to be paid by the City from general funds of the City with the proceeds of the Bonds. This is a declaration of official intent intended to comply with the requirements of Section 1.150-2(e) of the United States Treasury Regulations. The maximum amount of debt expected to be issued to finance the Project is \$25,000,000 excluding costs of issuance.

Section 14. The Council hereby authorizes the Mayor of this City, the Managing Director and any other necessary administrators, upon the advise of Financial S&Lutions LLC, the City's financial advisor (the "Financial Advisor"), to conduct a competitive bid process to find a provider of a full-flex investment agreement or agreements or to purchase any other securities or investments (the "Investments") for the investment of the proceeds of the Bonds. The City hereby approves the execution of one or more investment agreements for investment of the proceeds of the Bonds in connection with the Project. The City hereby authorizes and directs the Mayor of the City to execute and the City Clerk to attest any investment agreement on behalf of the City, in the form approved by the Solicitor and Bond Counsel of the City. The Investments shall be limited to those authorized under law for proceeds of the Bonds.

Section 15. The action of the officers of the City in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the City or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the City within 15 days after final adoption. The City Clerk is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

Section 16. The officers and officials of the City are hereby authorized and directed to do, take and perform such acts and things in connection with passage of this Ordinance as an amendment to the Bond Enabling Ordinance, including the filing of a certified copy of this Ordinance with the Paying Agent and Sinking Fund Depository, the Department, the Solicitor of this City and Bond Counsel.

Section 17. The remainder of the Bond Enabling Ordinance shall be and remain in full force and effect.

Section 18. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the City that the remainder of this Ordinance shall remain in full force and effect.


Section 19. All Ordinances or parts of Ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly hereby are repealed.

Section 20. This Ordinance shall be effective in accordance with Section 8003 of the Act.

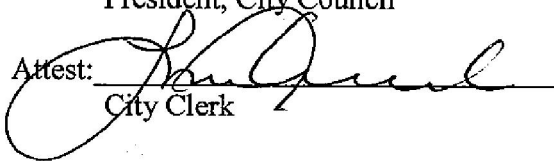
DULY ENACTED, THIS 24TH DAY OF AUGUST, 2009, BY THE COUNCIL OF CITY OF READING, BERKS COUNTY, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.

**CITY OF READING, BERKS COUNTY,
PENNSYLVANIA**

(SEAL)

By 

President, City Council

Attest: 

City Clerk

EXHIBIT A
[FORM OF BOND]

REGISTERED
NUMBER R-__

REGISTERED
\$_____

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the City or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CITY OF READING,
BERKS COUNTY, PENNSYLVANIA

GENERAL OBLIGATION BOND,
SERIES OF 2009

<u>SERIES</u>	<u>ISSUE DATE</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>CUSIP</u>
	_____, 2009	_____%	November 1, 20__	

Registered Owner: Cede & Co.

Principal Amount: \$_____

The CITY OF READING, BERKS COUNTY, Pennsylvania (the "City"), a City existing under laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, promises to pay to the order of the Registered Owner hereof, or registered assigns, on the Maturity Date stated hereon, upon surrender hereof, the Principal Amount stated above, unless this General Obligation Bond, Series of 2009 (the "Bond"), duly shall have been called for earlier redemption and payment of the redemption price shall have been made or provided for, and to pay interest on said principal sum semiannually on May 1 and November 1 of each year, commencing [November 1, 2009] (each a "Scheduled Interest Payment Date"), at the Interest Rate set forth above which, if not a fixed, numerical rate, shall be determined as provided in this Bond and in the Ordinance (herein defined), until the principal sum hereof is paid or provision for payment thereof has been made as provided in such Ordinance. Interest on this Bond is payable from the Scheduled Interest Payment Date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of a Scheduled Interest Payment Date, in which event this Bond shall bear interest from such Scheduled Interest Payment Date; or (b) this Bond is registered and authenticated after a Regular Record Date (herein defined) and before the next succeeding Scheduled Interest Payment Date,

in which event this Bond shall bear interest from such Scheduled Interest Payment Date; or (c) this Bond is registered and authenticated on or prior to the Regular Record Date (herein defined) next preceding [November 1, 2009], in which event this Bond shall bear interest from the Series Issue Date set forth above; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Bond shall be in default, in which event this Bond shall bear interest from the date to which interest was last paid on this Bond.

The principal of and premium, if any, on this Bond, are payable upon presentation and surrender of this Bond to Manufacturers and Traders Trust Company (the "Paying Agent"), as paying agent and tender agent for the Bonds, at its corporate trust office in Buffalo, New York, or to any successor paying agent or tender agent duly appointed by the City, at its Designated Office, as that phrase is defined in the Ordinance.

The interest on this Bond is payable on each Scheduled Interest Payment Date by: (i) check drawn on the Paying Agent and mailed to the Holder of this Bond, at the address of such Holder appearing on the registration books maintained by the Paying Agent, or (ii) wire transfer to a bank account of such Holder in the United States, if such Holder is The Depository Trust Company or its nominee or a successor securities depository or if such Holder is the registered owner of Bonds (hereinafter defined) in an aggregate principal amount of \$1,000,000 or more and shall have made a written request for wire payment of interest to the Paying Agent at least fifteen (15) days prior to the Scheduled Interest Payment Date. Payment of the interest hereon shall be made to the person in whose name ownership of this Bond is registered on the registration books maintained by the Paying Agent on behalf of the City at the close of business on the fifteenth (15th) day of the month next preceding the Scheduled Interest Payment Date (the "Regular Record Date"). Any interest that is not timely paid or duly provided for shall cease to be payable to the person in whose name ownership of this Bond is registered as of the Regular Record Date, and shall be payable to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such overdue interest (the "Special Record Date") established by notice mailed by the Paying Agent to the registered owners of Bonds not less than fifteen (15) days preceding such Special Record Date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

The principal of, premium, if any, and interest on this Bond shall be payable in lawful money of the United States of America.

This Bond is one of a series of bonds of the City, known generally as "City of Reading, Berks County General Obligation Bonds, Series of 2009" (the "Bonds"), in the aggregate principal amount of _____ Million _____ Hundred Thousand Dollars (\$ _____). The Bonds have been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act (the "Act") of the Commonwealth, and by virtue of an Ordinance duly enacted on December 12, 2005, as amended and supplemented by an Ordinance duly enacted on August 24, 2009 (the "Ordinance") by the City. The Act, as such shall have been in effect when the Bonds were authorized, and the Ordinance shall constitute a contract between the City and registered owners, from time to time, of the Bonds.

In the Ordinance, the City has covenanted with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, that the City: (i) shall include the amount of the debt service for the Bonds, for each fiscal year of the City in which such sums are payable, in its budget for that fiscal year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or from any other of its revenues or funds, the principal of each of the Bonds and the interest thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof, and, for such budgeting, appropriation and payment, the City has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

The Bonds maturing on or after November 1, 20__, shall be subject to redemption, prior to maturity, at the option of this City, in whole or in part, in any order of maturities, at any time on or after November 1, 20__, at a price equal to 100% of the principal amount of the Bond to be redeemed and accrued interest thereon to the date fixed for such optional redemption. In the event that less than all Bonds of a particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

The Bonds stated to mature on November 1, 20__, are subject to mandatory redemption prior to maturity on November 1 of the years (at a price equal to the principal amount of the Bonds called for mandatory redemption plus accrued interest thereon to the date fixed for such mandatory redemption) and in the principal amounts as set forth in the following schedule, as drawn by lot by the Paying Agent.

<u>Year</u>	<u>Principal Amount</u>
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* At maturity

The Bonds stated to mature on November 1, 20__, are subject to mandatory redemption prior to maturity on November 1 of the years (at a price equal to the principal amount of the Bonds called for mandatory redemption plus accrued interest thereon to the date fixed for such mandatory redemption) and in the principal amounts as set forth in the following schedule, as drawn by lot by the Paying Agent.

<u>Year</u>	<u>Principal Amount</u>
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* At maturity

Bonds may be redeemed in part in denominations of \$5,000 or any integral multiple thereof, but no portion of the Bonds may be redeemed that would result in a Bond which is not in an authorized denomination, unless the moneys scheduled for redemption cannot be used for redemption. For this purpose, the Paying Agent will consider each Bond in a denomination larger than the minimum authorized denomination to be separate Bonds each in the denomination of \$5,000.

Any such redemption shall be upon application of moneys available for such purpose in the Mandatory Sinking Fund established under the Ordinance.

GENERAL PROVISIONS

This Bond shall not be entitled to any benefit under the Ordinance nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Paying Agent. The holder of this Bond, by acceptance hereof, shall be deemed to have assented to all terms and conditions of the Ordinance.

The Bonds are issuable only as registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof.

This Bond may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations, of the same series, maturity and interest rate, upon surrender of this Bond to the Paying Agent, with written instructions for exchange satisfactory to the Paying Agent.

The City and the Paying Agent may deem and treat the registered owner of this Bond as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the City and the Paying Agent shall not be affected by any notice to the contrary. This Bond may be transferred by the registered owner hereof upon surrender of this Bond to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered bond or bonds of the same series, maturity and interest rate in

an authorized denomination and in the aggregate principal amount which the registered owner is entitled to receive.

The City and the Paying Agent shall not be required to issue or to register the transfer of or exchange any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption as hereinafter provided.

If less than all Bonds are to be redeemed at one time, the selection of the Bonds to be redeemed shall be made by lot or by such other method as the Paying Agent deems fair and appropriate.

If the Bonds or portions thereof are called for redemption and money for the redemption thereof is held by the Paying Agent on the redemption date, such Bonds or portions thereof to be redeemed shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under, the Ordinance.

Notice of redemption shall be given by mailing a copy of the redemption notice by first class mail, postage prepaid, not more than 60 days and not less than 30 days prior to the date fixed for redemption, to the Holder of each Bond to be redeemed in whole or in part at such Holder's address shown on the registration books for the Bonds maintained by the Paying Agent, as bond registrar. Notice of optional redemption may be conditioned upon the deposit of money sufficient to effect such redemption in the Sinking Fund established under the Ordinance not later than 12:00 noon on the date fixed for redemption and such notice shall be of no effect, and the redemption shall be deemed canceled, unless sufficient money is so deposited.

If this Bond is of a denomination larger than the minimum authorized denomination, a portion of this Bond (in any integral multiple of \$5,000) may be redeemed. In the case of partial redemption of this Bond, payment of the redemption price of the portion of this Bond so called for redemption shall be made only upon surrender of this Bond in exchange for Bonds of authorized denominations in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; Provided, however, that if this Bond is registered in the name of The Depository Trust Company ("DTC") or Cede & Co., as nominee for DTC, or any other nominee of DTC, or any other successor securities depository or its nominee, this Bond need not be surrendered for payment and exchange in the event of a partial redemption hereof and the records of the Paying Agent shall be conclusive as to the amount of this Bond which shall have been redeemed.

All capitalized terms and phrases that are used in this Bond but not defined herein shall have the meanings given thereto in the Ordinance.

It hereby is certified that all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Bond or in creation of the debt of which this Bond is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law.

STATEMENT OF INSURANCE

[TO BE SUPPLIED]

(signature page to follow)

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name by the manual signature of its Mayor of the City and its official seal to be affixed hereto, duly attested by the manual signature of the City Clerk or Assistant City Clerk of the City.

ATTEST:

CITY OF READING, BERKS COUNTY,
PENNSYLVANIA

City Clerk

By: _____
Mayor

(SEAL)

CERTIFICATE OF AUTHENTICATION,
CERTIFICATE AS TO OPINION AND
CERTIFICATE AS TO INSURANCE

It is certified that:

(i) This Bond is one of the Bonds described in the within-mentioned Ordinance;

(ii) The text of the Opinion attached to this Bond is a true and correct copy of the text of an original Opinion issued by Stevens & Lee, Reading, Pennsylvania, dated and delivered on the date of the original delivery of, and payment for, such Bonds, that is on file at our principal corporate trust office, where the same may be inspected; and

(iii) _____ has issued its municipal bond insurance policy, a copy of which policy is on file at our corporate trust office where the same may be inspected.

MANUFACTURERS AND TRADERS TRUST
COMPANY, as Paying Agent

By: _____

Authorized Representative

Date of Registration and Authentication:

ASSIGNMENT

FOR VALUE RECEIVED, _____, the undersigned, hereby
sells, assigns and transfers unto

_____ (the "Transferee")
Name

Address

Social Security or Federal Employer Identification No. _____ the within
Bond and all rights thereunder and hereby irrevocably constitutes and appoints
_____ as agent to transfer the within Bond on the books kept for registration
thereof, with full power of substitution in the premises.

Date: _____


Signature Guaranteed:

NOTICE:
Signatures(s) must be guaranteed by an
institution that is a participant in a
signature guarantee program recognized by
the Securities Transfer Association.

NOTICE: No transfer will be made in the name
of the Transferee unless the signature(s) to this
assignment correspond(s) with the name(s)
appearing upon the face of the within Bond in
every particular, without alteration or
enlargement or any change whatever and the
Social Security or Federal Employer
Identification Number of the Transferee is
supplied. If the Transferee is a trust, the names
and Social Security or Federal Employer
Identification Numbers of the settlor and
beneficiaries of the trust, the Federal Employer
Identification Number and date of the trust and
the name of the trustee must be supplied.

MAYOR'S ACTION

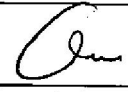
Bill No. SB 2009

Submitted to Mayor: 

Date: 8/25/09

Received by Mayor's Office: 

Date: 8/25/09

Approved by Mayor: 

Date: 8/25/09

Vetoed by Mayor: _____

Date: _____

Sustained by Council: _____

Date: _____

Overridden by Council: _____

Date: _____